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and instantaneous knowledge as to the actual methods of keeping accounts, as it is to expect skilful engineers to result from the theoretical study of technical engineering subjects without the necessary practice in shop, factory, or field. But, all in all, this is probably the simplest and best text that has yet appeared for the purpose it is intended to serve.

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Regulation, Valuation and Depreciation of Public Utilities. By SAMUEL S. WYER. (Columbus, O.: The Sears and Simpson Company. 1913. Pp. 313. \$5.00.)

Engineering Valuation of Public Utilities and Factories. By HORATIO A. FOSTER. (New York: D. Van Nostrand Company. 1912. Pp. xvi, 345. \$3.00.)

Mr. Wyer offers his book as an "unbiased discussion and concise compilation of the pertinent economic, engineering and legal facts" pertaining to public utilities. With the exception of the first two chapters dealing with introductory matters and definitions, and chapters 14, 15, and 16, presenting respectively technical engineering data, reference tables, and a selected bibliography, the volume is devoted to three general subjects: (1) the economics of public utilities, describing the nature of the different services, especially in reference to costs, prices, and rates, (2) the principles underlying the regulation of public utilities, and (3) the valuation of utility properties, especially for rate-making purposes. Much of the subject-matter in all the chapters is technical. The book is perhaps more a "compilation" than a "discussion," presenting almost throughout *facts* merely as such, with little regard to their interrelation and their economic significance. The chapters on regulation and valuation consist largely of concise and pointed citations from court decisions. In a few instances the *facts* appear more absolute than they actually are. Citations from federal and state courts, and even from state commissions, are used to present general principles. This cannot be done safely unless the views presented have been specifically affirmed by the Supreme Court of the United States. Thus the view in paragraph 289 (p. 95), that the states may not substantially burden interstate commerce (taken from *Shepard v. N.P. Ry. Co.*, 184 Fed. 775), was definitely overruled in June, 1913, by the decision of the Supreme Court in the Minnesota rate cases. Again, it is extremely doubt-

ful whether the principle followed by the Wisconsin Railroad Commission would be supported by the Supreme Court, namely, that "going value must be considered in fixing rates" and that "going value may be capitalized" (p. 179). For the most part, however, the volume has been carefully and well prepared and serves its purpose excellently—as a handbook of useful information, not an economic treatise.

Mr. Foster is an engineer with considerable practical experience in valuing public service and factory properties. He has attempted in his book a twofold task: (1) to explain the principles that are and should be followed in the valuation of properties, especially for rate-making purposes, and (2) to outline forms and procedure in an actual valuation. He has succeeded far better in the second; and chapters three, four and five, dealing with those matters, will be useful to any one interested in the practical aspects of an appraisal. The forms are taken principally from the joint engineering department of the Wisconsin Tax and Railroad Commissions, and they cover more especially railroad, street railway, telegraph and telephone, water works, gas and power properties. The book consists of fifteen chapters, an introduction, a selected bibliography, and an index.

Mr. Foster upholds the doctrine that a valuation for rate-making purposes should equal the cost of reproduction new at the time of the appraisal, less depreciation to cover the wear and tear of the existing property, plus going value. The last represents an allowance made for the difference between the mere existence of physical plant and such plant in actual operation, with the established reputation and connections of the property that is being valued. The author apparently favors the rule of the Wisconsin Railroad Commission, that "the actually reasonably wise expenditure of money towards getting the business of the plant established may be included in the value to be allowed for the purpose of fixing rates" (p. 142). This view has been followed more or less definitely by several federal and state courts, and Mr. Foster seems to present it as a generally accepted doctrine in the regulation of American utilities. While state commissions undoubtedly may follow this rule if they wish, they probably are not under constitutional obligation to do so. The matter has never been specifically determined by the Supreme Court of the United States. However, in the recent Minnesota rate cases, while the cost-of-reproduction principle was apparently approved,

the court refused to allow certain special additions, which were not much unlike the idea of going value.

Mr. Foster's book should prove fairly useful to anyone reasonably familiar with public service matters: it teems with quotations from well-known writers, court decisions, and reports of commissions, and so offers a multitude of good suggestions. But, to laymen, especially to engineers not trained in economics, it would probably serve more to confuse than to enlighten. The point of view is often unclear, and the subject-matter is ill-digested. There is little logical sequence either in the order of chapters or in the passage from one idea to another. Chapter lengths vary from such extremes as a single page, two, four, and five pages to seventy-two and ninety pages. Quotations are not only too numerous and long, but their purpose is often obscure and in a number of cases they are needlessly repeated. The author delights in definitions, but is not very fortunate in making them lead anywhere.

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A Short History of Accountants and Accountancy. By ARTHUR H. WOOLF. (London: Gee and Company, Ltd. 1912. Pp. xxxi, 254. 7s. 6d.; New York: The Ronald Press Company. 1912. \$2.75.)

This is a revision of a series of articles first published in "The Accountant." The general title differs only slightly from that adopted by R. Brown, the editor of a similar series of essays by prominent Scottish and English accountants. Further comparison shows that Woolf's work is not unlike Brown's in chapter titles and in the arrangement of material. There are other analogies.

On the other hand, Woolf's work has been independent of any one authority. It relies largely upon secondary authorities, to be sure, but these include a large number of English, Italian, and French writers, and they have been used discriminately. Brown is frequently cited, as is also Sieveking, the standard German authority, but neither has been unduly relied upon. The work is therefore essentially Woolf's own, and represents a distinct contribution to the literature of economic history and of accounting (we can hardly say of "accountics," although Woolf supposes this to be an American expression).

As might be expected, the information respecting accounting in